REPORT 2002

A NEW BANK

FOR A NEW ECONOMY

Pacific & Western
Credit Corp.

Table of CONTENTS

WE ARE SKILLED

Barbara Hale
Vice-President & General Counsel

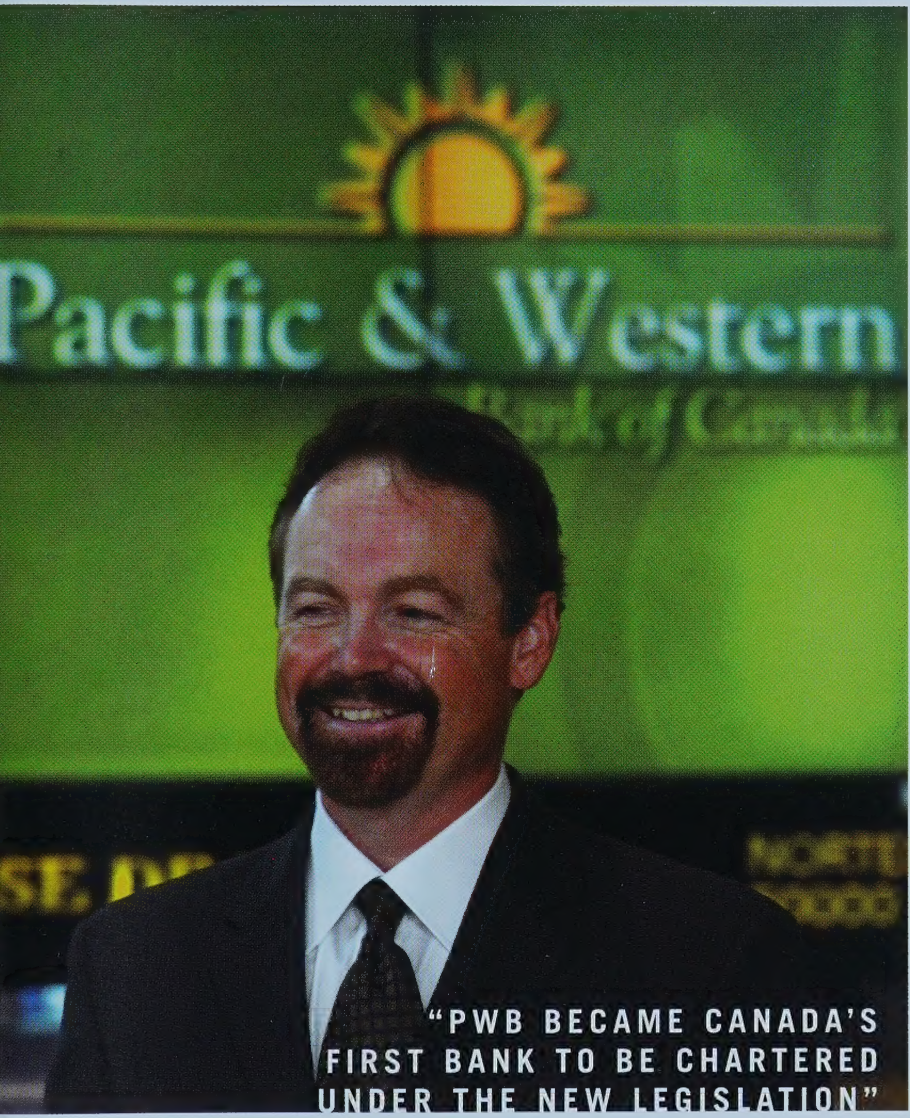
WE ARE FOCUSED

Rick Jankura
Senior Vice-President,
Risk Management

John Asma
Vice-President & Treasurer

WE ARE CREATIVE

President's MESSAGE



Our Corporation's results for the ten month period ending October 31, 2002 were depressed by the restrictions placed on our wholly-owned subsidiary, PWB, by its former provincial regulator. Fortunately, these restrictions ended on August 1, 2002 when PWB became Canada's first bank to be chartered under the new legislation that came into effect in October, 2001.

On August 1st, our Corporation was able to get back into the business of lending and leasing to low risk niche markets throughout Canada. We bolstered the ranks of our lending team by hiring a number of well-experienced bankers and began re-deploying our excess liquidity of approximately $200 million to new loans and leases. Although it took us a few months to regain momentum, our strong client relationships and ideally suited lending products have resulted in a quick turnaround. During the first quarter ended January 31, 2003 in which PWB operated as a federally chartered bank, we were able to fund new loans and leases totalling $73 million, make commitments to fund an additional $90 million and are in active negotiations for new loans and leases in excess of $400 million. Our Corporation has a unique business model that allows it to operate much more efficiently than its peers. For example, our asset to employee ratio is about five times better than that averaged by the other banks and our fixed costs to asset ratio is less than half of that averaged by the other banks. This means that we are able to price our loans and leases very competitively in order to win relatively low risk financing transactions but still earn a good profit.

The amalgamation with PacWest Ventures Ltd. at the beginning of 2002 provided us with approximately a 40% increase in capital to fuel further growth. Thanks to the hard work of our staff and directors and the faith shown in us by the federal government, our Corporation is now able to compete on a level playing field with the other financial institutions. We have ample capital, tremendous demand for our services and, given our significant efficiency advantages, expect our profitability to return to its historic levels.

D. R. Taylor.

David R. Taylor
President & Chief Executive Officer

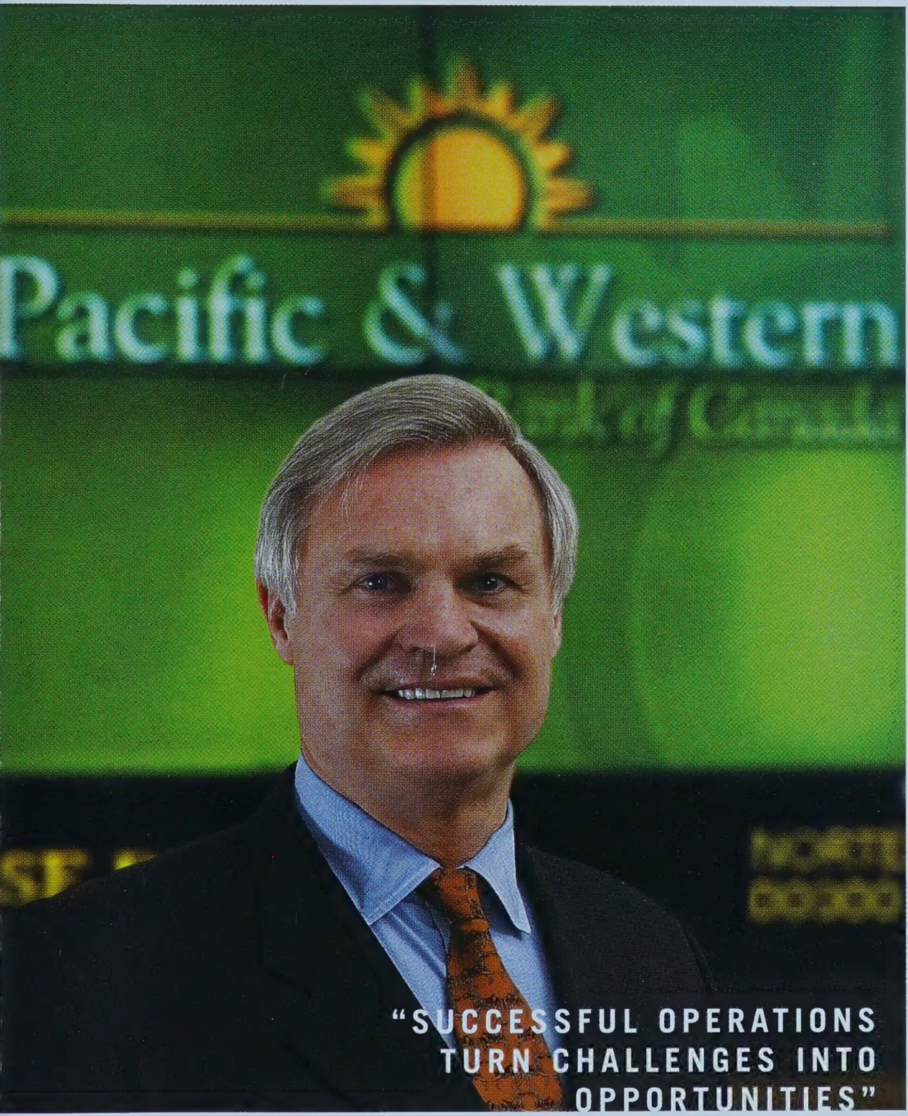
Financial HIGHLIGHTS

(000s)	October 31 2002**	2001	2000	1999	1998	1997
		------------ December 31 ------------				
INVESTMENT INCOME						
Loan interest	$25,843	$29,068	$25,841	$18,546	$13,900	$7,480
Securities (TEB)	11,158	20,006	18,285	11,159	5,752	3,716
Loan fees	569	725	1,000	868	1,196	706
Total	37,570	49,799	45,126	30,573	20,848	11,902
Yield on Assets	6.21%	7.02%	7.31%	6.65%	6.92%	7.24%
Interest expense	35,159	42,817	35,607	22,635	14,655	8,338
Cost of funds	5.81%	6.04%	5.77%	4.92%	4.87%	5.07%
Net investment income (TEB)	2,411	6,982	9,519	7,938	6,193	3,564
Spread	0.40%	0.98%	1.54%	1.73%	2.05%	2.17%
Provision for losses	890	289	346	321	401	301
Other income (TEB)	(363)	118	1,185	4,255	3,213	0
Total revenue (TEB)	1,158	6,811	10,358	11,872	9,005	3,263
Non interest expenses:						
Salaries and benefits	2,760	2,700	2,167	1,709	1,331	974
General and administrative	2,452	2,840	1,866	1,852	1,324	808
Premises and equipment	637	694	408	353	289	281
Total	5,849	6,234	4,441	3,914	2,944	2,063
Net earnings (loss)	(3,389)	(876)	3,040	4,718	3,988	1,204
BALANCE SHEET ITEMS						
Assets:						
Cash and securities	289,625	297,752	284,934	208,856	157,280	82,955
Mortgages and loans	402,932	413,825	381,844	322,192	205,793	142,103
Other assets	25,749	21,799	19,175	12,900	10,067	4,697
Total	718,306	733,376	685,953	543,948	373,140	229,755
Average assets	725,841	709,665	614,951	458,544	301,448	164,283
Liabilities:						
Deposits	636,351	673,925	629,002	488,919	313,998	210,599
Other liabilities	8,267	4,385	2,901	3,520	12,020	2,720
Notes payable	34,186	24,686	22,686	22,689	22,691	1,930
Total	678,804	702,996	654,589	515,128	348,709	215,249
Shareholders' equity	39,502	30,380	31,364	28,820	24,431	14,506
Total	$718,306	$733,376	$685,953	$543,948	$373,140	$229,755

* TEB - Tax Equivalent Basis

** Amounts for 2002 are as at October 31, 2002 and for the 10 months then ended

Chairman's REPORT



2002 was a year in which many organizations and financial institutions were faced with extreme challenges. PWC was no exception. The success of an organization is how it deals with such challenges and positions itself for a successful future.

During 2002, our Corporation was focused on obtaining the charter to create Pacific & Western Bank of Canada and successfully merging the Corporation with PacWest Ventures Ltd. While both of these were accomplished in 2002, they did not come without a price. The financial results for 2002 attest to the significant cost to attain these goals.

Our Corporation now has a dynamic platform on which to return to its previous successful business model of emphasizing lower risk specialty financings throughout Canada.

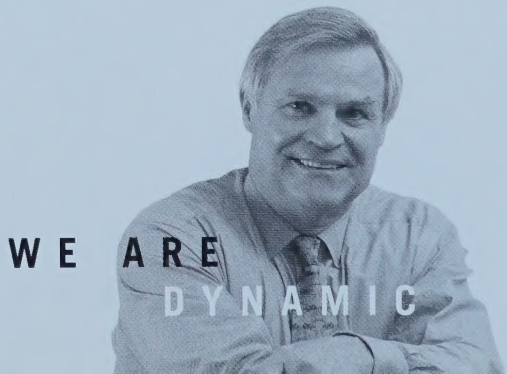
Your Board of Directors has approved management's business plan that provides a blueprint for the future success of our Corporation. The Board and the management team are both committed to achieving these results. The first quarter of 2003 is a testament to the validity of the business plan.

Your Board takes seriously its obligations for corporate governance. During 2002, we invested significant time and effort to review and improve our governance standards. We recognize, however, that such standards are only the beginning. Your Board will continue to emphasize that the Corporation operates with the highest degree of openness and integrity. Your Directors have been and will continue to be selected on the basis of not only ability and contribution but on their reputations for personal integrity.

As the Chairman, I am proud of the Board of Directors, the employees and our business plan. As a shareholder, I am confident that PWC will create significant shareholder value in 2003 and beyond.

Peter R. Lockyer

Peter R. Lockyer
Chairman of the Board



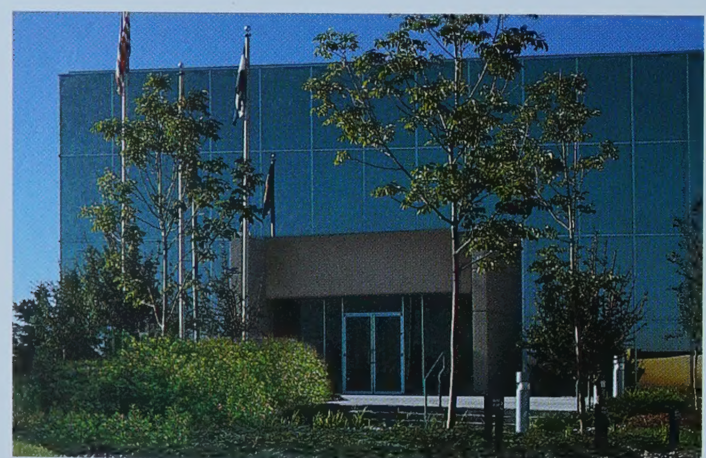
Our INVESTMENTS

CHARLOTTETOWN AREA DEVELOPMENT CORPORATION

Parking garage
$7,500,000

CITY OF CHARLOTTETOWN

Equipment lease
$700,000

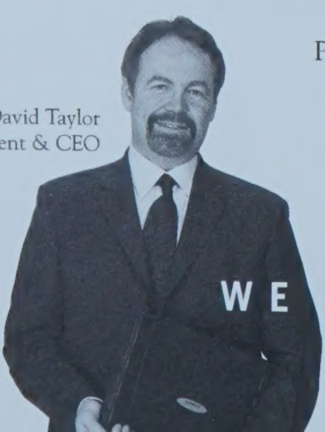


CHARLOTTETOWN

Project financing for building occupied by Provincial and Municipal governments
$2,000,000

NELSON-WOLFE DEVELOPMENTS

Residential development financing, Southwestern Ontario



David Taylor
President & CEO

WE ARE NICHE LENDERS

CITY OF LONDON ARENA TRUST

Project financing
$7,000,000

PEEL DISTRICT SCHOOL BOARD

Equipment leasing
$3,600,000

COUNTY OF OXFORD

$10,000,000 line of credit

TOWN OF AMHERSTBURG

Debenture financing
$3,100,000

Riverwalk
THORNBURY

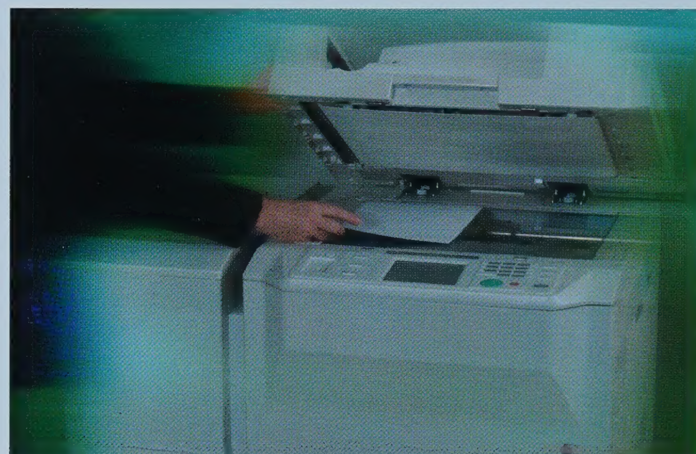
THORNBURY RIVERWALK CORPORATION

Residential development financing,
Ontario

SaskPower

SASKATCHEWAN POWER CORPORATION

Equipment lease
$240,000



MUNICIPALITY OF QIKIQTARJAUQ

Equipment lease,
Nunavut Territory
$300,000

NORTHERN PROPERTY REAL ESTATE INVESTMENT TRUST & AFFILIATES

$20,000,000 for properties in the Northwest Territories and Nunavut Territory

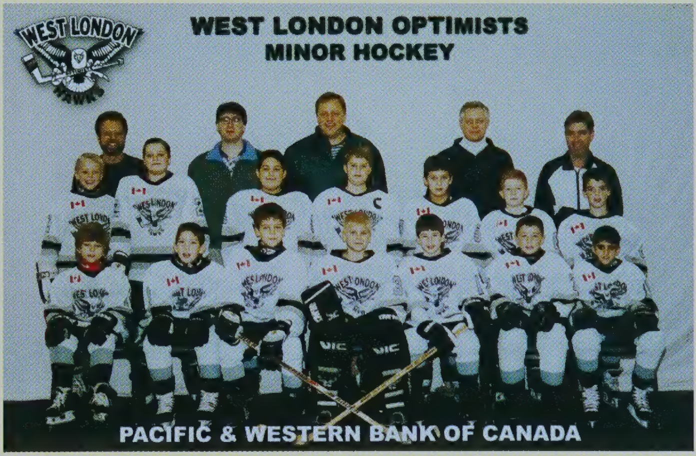
Northern Property
Real Estate Investment Trust

Jonathan Taylor
Senior Vice-President,
Operations

WE ARE COMPETITIVE

In the COMMUNITY

PACIFIC & WESTERN IS COMMITTED TO THE ONGOING SUPPORT OF ORGANIZATIONS WITHIN THE COMMUNITY. HERE ARE SOME RECENT EXAMPLES.



AUTISM SOCIETY ONTARIO

CANADIAN DIABETES ASSOCIATION | ASSOCIATION CANADIENNE DU DIABÈTE

St John Ambulance

LONDON HEALTH SCIENCES CAMPAIGN

COUNTRY CLASSIC AUCTION

THE KIDNEY FOUNDATION OF CANADA

Junior Achievement LONDON & DISTRICT INC.

ORCHESTRA LONDON CANADA

MUSIC REIGNS The Gala

Management's Discussion & Analysis OF OPERATIONS AND FINANCIAL CONDITION

OVERVIEW

Pacific & Western Credit Corp. (PWC) is a TSX-listed public company that owns 100% of the outstanding common shares of Pacific & Western Bank of Canada (PWB). Other than a small number of real estate assets totaling $17 million, PWC's assets and operations are contained within PWB.

In the early 1990s, many of Canada's small financial institutions were in trouble. The economy had taken a toll on their portfolio and loan losses and high overheads were eroding their profits and capital. It was a time when the benefits of a new technology, the personal computer (PC), were starting to be realized. PWC's vision was for a new kind of financial institution that could take advantage of this new technology and turn what had been a handicap for small financial institutions in the past, small size, into an advantage. Software was developed on PCs rather than on expensive mainframes and PWC utilized existing distribution channels to distribute products rather than building expensive branch networks. PWC became a branchless financial institution that achieved productivity levels never before seen in the industry. With this high productivity, it was able to lend to minimal markets and grow rapidly with very few loan losses. High productivity meant that it could pay attractive rates on deposits and charge less interest on loans. This new vision began in 1993 and after a few years of overcoming turnaround challenges, benefits of the model began to be realized. Profits increased and assets grew at an unprecedented compounded average growth rate of over 50%. PWC was using new technologies to make an old business better.

However, during 2000, PWB's predecessor, Pacific & Western's eTrust of Canada Inc. (PWeT), encountered new regulatory restrictions on the growth and composition of its assets that adversely affected its spread income. PWeT was incorporated under the laws of the Province of Saskatchewan. That government enacted new provincial trust legislation that required PWeT to significantly change its successful business model, created a disruption to its operations and adversely impacted its profitability. In October 2001, the federal government enacted new legislation (Bill C-8) which presented an opportunity for PWeT to transfer its business model developed under the Saskatchewan legislation to the federal arena by applying for a federal domestic bank licence. On August 1, 2002, PWeT was continued as Pacific & Western Bank of Canada (PWB), becoming Canada's ninth widely held domestic bank.

This year's primary goal is to convert approximately $200 million in low spread treasury assets to higher spread loans and leases. This goal represents a considerable challenge in that, prior to August 1, 2002, in order to comply with the Saskatchewan regulator, lending and leasing activities were very limited. In order to meet this challenge, PWC has bolstered its personnel involved in lending and leasing with a number of skilled, well-experienced bankers. The lending services department has been organized into teams, being:

- Commercial financing, primarily serving southwestern Ontario.
- Corporate and public sector financing, serving all of Canada.
- Arctic financing, serving Canada's northern regions.

In order to mitigate the risk involved in rapidly increasing lending operations, PWC created an experienced Risk Management Department. There is a clear division of duties between our lending team and that of our Risk Management Department. The lenders do not have discretionary limits. All credits are processed by the Risk Management Department in accordance with a credit approval policy. This creates a distinct division of duties and ensures objective, quality credit decisions.

During fiscal 2003, PWC is not planning for significant growth in total assets but rather is focusing on converting its excess treasury assets into loans and leases.

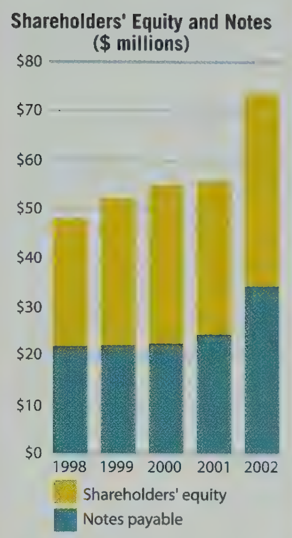
PWC changed its year end from December 31st to October 31st to be the same as the other publicly traded domestic banks. The following discussion and analysis is for the ten month period ending October 31, 2002 and for the year ended December 31, 2001. The ratios and percentages are calculated in the same manner as those of the other domestic banks to provide for comparison. Where appropriate, figures are shown on a taxable equivalent basis (TEB), which means an adjustment has been made to interest and other income to gross up the tax exempt income earned by an amount which, had it been taxable at the statutory rate, would result in the same after-tax net income that appears in the financial statements. An equal and offsetting adjustment is made to increase the provision for income taxes. This results in a better reflection of the pre-tax economic yield of these assets and facilitates uniform measurement and comparison of net interest income and other income.

SHAREHOLDERS' EQUITY AND NOTES

Shareholders' equity and notes, as of October 31, 2002, totaled $74 million versus $55 million at December 31, 2001. This increase was due to the amalgamation with PacWest Ventures Ltd. (PWV) on January 1, 2002. PWB had regulatory capital, as of October 31, 2002, of $59 million versus $48 million at December 31, 2001. Additional regulatory capital was provided by the merger with PWV. This, together with the reduced capital requirement of a federal bank, has provided PWB with the capacity to book an additional $200 million in new loans and leases. These new loans and leases will be funded by the liquidation of PWB's excess cash and securities. Management expects to convert this excess liquidity into loans and leases during fiscal 2003. Going forward, management expects that future increases in loans and leases will be provided for by the further liquidation of the former PWV's assets and by increases in PWB's gearing ratio. PWC, as of October 31, 2002, had $17 million invested in real estate assets that it acquired through the amalgamation with PWV. PWC intends to continue to liquidate these assets and invest the proceeds in PWB to further increase its regulatory capital. As of October 31, 2002, PWB's capitalization ratios compared favourably to that of the other banks. Total capital to assets was 8.40% compared to the average of the other banks of 6.45% and total capital to risk weighted assets was 14.77% versus the banks' 12.35%. The chart to the right illustrates the growth of shareholders' equity and notes in recent years.

ASSETS

Assets at October 31, 2002 were $718 million versus $733 million at December 31, 2001. This decrease in assets primarily resulted from a reduction in PWB's treasury and lending assets. Once PWB obtained its federal bank charter, it was able to reduce its holdings of low yielding government securities that were providing no spread income. Lending assets reduced due to repayment. During most of the ten month period ending October 31, 2002, PWB was restricted by its provincial regulator from lending and leasing in its more profitable markets. As the chart to the right illustrates, assets were growing rapidly until the year 2000 when PWB (formerly PWeT) encountered onerous capital constraints by its former provincial regulator. Now that these capital constraints have been lifted, management expects to resume the growth in PWB's assets once excess liquidity of approximately $200 million has been converted to new loans and leases. Management expects this conversion to take place during fiscal 2003 and that assets in the years following will increase by approximately $200 million per annum, subject to demand and leverage constraints.



ASSET QUALITY

Gross impaired loans increased from $1.4 million at December 31, 2001 to $8.0 million on October 31, 2002. This increase was primarily due to a mortgage held by PWC and acquired through the amalgamation with PWV. A judgment from an unrelated transaction resulted in a writ being registered on the securing property, prompting management to place the borrower in receivership. Management believes that the securing property provides adequate security for the advances and expects the situation to be resolved soon.

Gross impaired loans in PWB amounted to $1.3 million for which PWB made specific provisions of $100,000. PWB also made a provision of $475,000 for impairment in the value of securities. Upon PWB being continued as a federally chartered bank, it increased its general provision by $612,000. PWB's net impaired loans continue to compare favourably to the other domestic banks. PWB's impaired loans to total assets was .18%, less than a fourth of that averaged by the domestic banks of .80%.

PWB employs a strategy of seeking lower risk financing opportunities by offering very competitive interest rates. This has led to a ten year track record of consistently out performing the domestic bank averages.

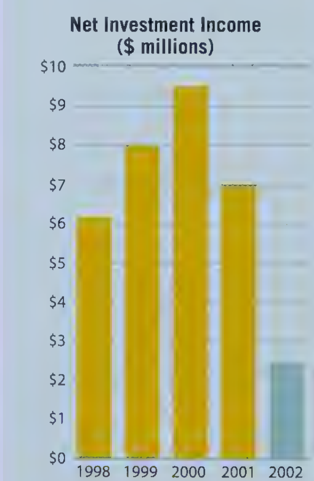
LIQUIDITY

Cash and securities were $290 million at October 31, 2002 versus $298 million at December 31, 2001. PWB's liquidity ratio of 41.2% at October 31, 2002 was much higher than optimal. PWB had to maintain this very high liquidity ratio in order to comply with its former provincial regulator. Now that PWB is a federally regulated bank, it is converting this excess liquidity to higher yielding loans and leases. Although PWB's lending and leasing operations were significantly hampered by its former provincial regulator's capital requirements, it is quickly regaining momentum and, as at January 31, 2003, it had booked new loans and leases totaling $73 million and had made commitments to book an additional $90 million in new loans and leases. The conversion of PWB's excess liquidity to higher yielding loans and leases is key to its return to profitability.

DEPOSITS

Deposits as of October 31, 2002 were $636 million versus $674 million at December 31, 2001. PWB allowed deposits to run off in order to reduce its holding of cash and securities that were not providing any spread income. PWB raises its deposits through a diversified network of deposit brokers and has approximately 50,000 depositors holdings its CDIC-insured GICs and daily interest savings accounts.

The ability to raise CDIC-insured deposits in an efficient manner has lowered operating costs and provides a strong competitive advantage. Borrowing clients, such as hospitals, school boards, municipalities and investment grade corporates, demand low borrowing rates that many financial institutions, because of their relatively higher operating costs, are unable to provide profitably. GIC maturities are matched with those of the financial assets in order to minimize risk associated with interest rate movements. As interest rates are presently relatively low, there exists a high demand for longer term loans and leases but a relatively low supply of long term deposits that these financial assets can be matched against. PWB uses swaps to offset this disparity.



SPREAD

Spread is the difference between what is paid on funding sources and equity and what is earned on assets. During 2002, spread declined from .98% to .40% on a TEB, versus the banks' average spread of 2.06% on a TEB. This was a continuation of a decline that resulted from the previously mentioned change in regulation that restricted profitable leasing and lending operations and caused a large portfolio of low spread cash and securities. Now that PWB has been granted a federal bank licence, management expects spread to show monthly improvements back to historic levels as new loans and leases are booked and its treasury assets are converted to higher spread producing securities.

NET INVESTMENT INCOME

Net investment income for the ten month period ending October 31, 2002 on a TEB basis was $2.4 million. This represents only 41% (on an annualized basis) of that achieved during the previous year. This reduction in net investment income resulted from the previously mentioned change in regulation that placed restrictions on the growth and composition of assets. Now that PWB is a federally chartered bank, it has resumed its profitable leasing and lending business and is converting approximately $200 million in low yielding cash and securities. Additionally, due to the onerous capital requirements placed on PWeT by its former provincial regulator, the majority of PWeT's cash and securities were in non-spread producing government securities. Now that PWB is operating as a federally chartered bank, it has more flexibility in investing its cash and securities and is now able to earn a small spread on these assets. As at January 31, 2003, new loans and leases booked by PWB amounted to $73 million at a weighted average spread of 2.6%. Management is planning to convert the full $200 million in excess liquidity throughout fiscal 2003 with a weighted average spread of 2.0%. As the excess liquidity is converted to higher yielding loans and leases, net investment income is expected to steadily increase.

NON-INTEREST INCOME

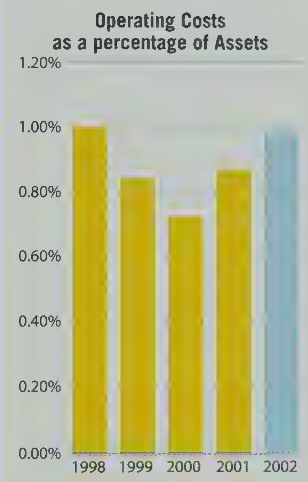
Non-interest income is composed of equity losses and other income (charges). Non-interest income for the ten month period ending October 31, 2002 was a loss of $363,000, versus income of $118,000 earned for the year ended December 31, 2001. The primary reason for this decline in income is that this category included a $475,000 provision for an impairment in value of Nortel preferred shares and a reduction in fiduciary fees. Once PWB became a federal bank, it discontinued providing fiduciary services and lost the fee income associated with this business.

NON-INTEREST EXPENSES

Non-interest expenses for the ten month period ending October 31, 2002 were $5.8 million or, on an annualized basis, .98% of assets, versus .85% of assets for the previous year. On an annualized basis, the majority of this increase was in the salary and benefits category. This increase resulted from hiring new staff in the lending and risk management areas to prepare for the ramping-up of lending and leasing operations once the bank licence was obtained. This low percentage illustrates one of PWB's most powerful competitive advantages as it is less than half of that averaged by the domestic banks (2.68%). This high efficiency has been achieved by continuously improving PWB's systems and by employing strategies to reduce administration in both the gathering of deposits and making of loans and leases. PWC's expenses were elevated during the ten month period ending October 31, 2002, however, due to expenses involved in reconfiguring PWB to operate as a federal bank.

NET LOSS

The net loss for the ten month period ending October 31, 2002 was $3.4 million or $.27 per share on a fully diluted basis versus $876,000 loss for the twelve month period ending December 31, 2001, or $.09 per share on a fully diluted basis. These losses resulted from a significant reduction in PWC's net investment income which, as discussed above, resulted from maintaining a very large portfolio of non spread producing cash and securities and having to limit PWB's two



most profitable lending enterprises. On becoming a federally chartered bank, PWB obtained more flexibility in investing its cash and securities and has been able to earn a small spread on these assets. Additionally, PWB has resumed its profitable lending and leasing operations and is converting approximately $200 million in low spread securities to higher spread producing loans and leases. Management expects this process to be completed during the current fiscal year and that PWB will return to profitability once the total of $80 million in excess liquidity has been converted to new loans and leases.

RISK MANAGEMENT

Risk management involves the identification and ongoing assessment of the material risks that could adversely affect the achievement of PWC's goals. A senior officer has been appointed to oversee this important area. Risks may be categorized into four areas. They are: credit risk, liquidity risk, interest rate risk, and operational risk. PWC's Board of Directors approves policies, reviews existing policies, delegates limits, and reviews management's assessment of risk in its major risk-taking activities. An independent internal auditor is employed to provide a continuing review of policies and procedures to ensure that they are appropriate, effective and being followed and that adequate controls are in place in order to mitigate risk to acceptable levels. The internal auditor reports directly to the Audit Committee of the Board of Directors.

CREDIT RISK

Credit risk is the potential for loss due to the failure of a counterparty or borrower to meet its financial obligations. Generally, PWC accepts credit risk in market niches that are not well served by the larger financial institutions. An emphasis is placed on lower risk assets which include public sector borrowers, investment grade corporations and well-established commercial enterprises. Additionally, it has policies to govern and limit portfolio concentrations by geographic area and asset category. PWC has established a risk rating policy that provides for risk rating each asset in its total asset portfolio.

LIQUIDITY RISK

Liquidity risk is the risk of being unable to honour all cash outflow obligations as they become due. PWC has established policies to ensure that its cash outflows and inflows are closely matched and that its sources of deposits are diversified over a wide geographic area. Additionally, it maintains a reserve of liquid assets and has standby lines of credit available. An Asset Liability Management Committee monitors liquidity risk, reviews compliance with policies and discusses strategies in this area. PWC's proportion of cash and securities of its total assets is significantly higher than optimal and will be reduced during fiscal 2003 to approximately 17%, which is in line with its peers.

INTEREST RATE RISK

Interest rate risk is the risk that a movement in interest rates could negatively impact spread, net interest income and the economic value of assets, liabilities, and shareholders' equity. In order to mitigate this risk, PWC's policy is to maintain the matching of its cash inflows and outflows so that in any 60 month period a 100 basis point change in rates across the entire yield curve would not have an impact greater than $3 million. Gap and sensitivity analyses are conducted to measure the impact of interest rate changes on its current earnings and the economic value of its interest rate, sensitive assets, liabilities and equity.

As the average duration to maturity of PWC's assets normally exceeds that of its deposits by a substantial margin, interest rate swaps are used to assist in matching cash inflows and outflows, a practice it shares with the other banks.

OPERATIONAL RISK

Operational risk is a potential loss resulting from a breakdown in systems, procedures, human error, disasters or criminal activity. PWC has a comprehensive internal control policy which provides clear direction to all areas of its business and employees and establishes accountability and responsibilities to identify, assess, appropriately mitigate and control operational risks. PWC has hired banking professionals with many years of related experience. It has developed its own systems and software, tested them thoroughly and has a comprehensive internal audit function to ensure that operational risk is mitigated to prudent levels.

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

The statements in this management's discussion and analysis which relate to the future are forward-looking statements. By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and risks exist that predictions, forecasts, projections and other forward-looking statements will not be achieved. Readers are cautioned not to place undue reliance on these statements as a number of important factors could cause actual results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements. These factors include, but are not limited to, the strength of the Canadian economy in general and the strength of the local economies within Canada in which we conduct operations; the effects of changes in monetary and fiscal policy, including changes in interest rate policies of the Bank of Canada; the effects of competition in the markets in which we operate; inflation; capital market fluctuations; the timely development and introduction of new products in receptive markets; the impact of changes in the laws and regulations regulating financial services; changes in tax laws; technological changes; unexpected judicial or regulatory proceedings; unexpected changes in consumer spending and savings habits; and our anticipation of and success in managing the risks implicated by the foregoing.

The foregoing list of important factors is not exhaustive. When relying on forward-looking statements to make decisions, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. There is no undertaking to update any forward-looking statement that is contained in this management's discussion and analysis or made from time to time by PWC.

Corporate Governance PRACTICES

INTRODUCTION

Maintaining an effective corporate governance framework is a priority for Pacific & Western. The fundamental duty of the Board of Directors is to supervise the management of the business and its affairs to maximize shareholder value. Pacific & Western Bank of Canada carries out the main business of Pacific & Western, comprising approximately 97% of its assets. Pacific & Western Bank of Canada's Board of Directors and its committees assist in carrying out and overseeing the corporate governance for Pacific & Western Credit Corp.

Our ongoing relationship with our shareholders is maintained through our Transfer Agent and Registrar, Computershare Trust Company of Canada and other financial intermediaries and, in particular, through our Shareholders' Meetings. Shareholders may communicate with us by contacting our Director of Investor Relations or Computershare.

The Management Proxy Circular issued in connection with our 2003 Annual Meeting contains a comparison of our corporate governance procedures against the Toronto Stock Exchange's guidelines for effective corporate governance.

GENERAL RESPONSIBILITIES OF THE BOARD OF DIRECTORS

The Boards of Pacific & Western Credit Corp. and Pacific & Western Bank of Canada are responsible for governance issues and perform the following functions:

- Approve a Mandate for the Board of Directors and for the Chair of the Board
- Appoint a Chair of the Board who is unrelated and independent of management
- Appoint the Chief Executive Officer
- Oversee the management succession plan and the human resources plan
- Oversee employee compensation plans to ensure that they are consistent with sustainable achievement of Pacific & Western's business objectives, the prudent management of operations and the risks to which it is exposed, and adherence to its processes, policies, procedures and controls
- Appoint officers and regularly evaluate the effectiveness and prudence of such officers in managing the operations of Pacific & Western and the risks to which it is exposed
- Establish standards of business conduct and ethical behaviour for directors, officers and other personnel
- Establish Board committees and mandates
- Approve all policies, including those pertaining to corporate disclosure and communications, risk management, liquidity and funding management, and capital management
- Oversee communications with shareholders, including approving the annual financial statements, annual information form and shareholders' meeting materials
- Review and approve the annual strategic plan, business plan and budget and ensure that the objectives set out are realized
- Compare and measure Pacific & Western's performance against prior years' performance, previously established plans and industry peers
- Review the performance of Pacific & Western on a consolidated basis as well as the performance of major subsidiaries
- Receive reports, at least annually, from each of the Board Committees
- Declare dividends
- Review and monitor compliance with the Canada Deposit Insurance Corporation's Standards of Sound Business and Financial Practices
- Ensure that an audit/inspection function monitors the effectiveness of the organizational and procedural controls
- Assess the Board's effectiveness and the contribution of individual directors to the effectiveness of the Board, on a regular basis.

In order to discharge the Board's responsibilities, certain governance issues have been delegated to committees of the Board. The committees may engage outside consultants as they see fit, subject to the approval of the Board.

BOARD COMMITTEES

AUDIT COMMITTEES

Both Pacific & Western Credit Corp. and Pacific & Western Bank of Canada have Audit Committees that oversee financial reporting procedures and ensure that adequate internal controls are in place over accounting and financial reporting systems. The Committees are comprised entirely of unrelated directors and perform the following functions:

- Review the financial statements and such returns as regulatory requirements require
- Review all arrangements involving outsourcing of significant operations
- Ensure management implements and maintains appropriate internal control procedures
- Review, at least annually, the policies and procedures with respect to capital management, liquidity and funding management, money laundering, and internal control
- Receive and review management reports on operations and management information systems
- Communicate regularly with external auditors
- Meet with the external auditors on a regular basis
- Review and, if appropriate, approve expenditures to the external auditor
- Monitor amounts paid to the external auditor and other accounting firms
- Approve the mandate of the Internal Auditor
- Approve annually a comprehensive risk-based audit plan as submitted by the Internal Auditor
- Meet with the Internal Auditor and management to discuss the effectiveness of the internal controls
- Receive all risk-based audit reports and follow-up reports directly from the Internal Auditor

Members (Pacific & Western Credit Corp.): Kingsley G. Allaster (Chair), Dale E. Creighton, Arnold E. Hillier, Peter R. Lockyer
Members (Pacific & Western Bank of Canada): William T. Mitchell (Chair), Dale E. Creighton, Arnold E. Hillier, Peter R. Lockyer

HUMAN RESOURCES & CORPORATE GOVERNANCE COMMITTEES

Both Pacific & Western Credit Corp. and Pacific & Western Bank of Canada have Human Resources & Corporate Governance Committees. The Committees are comprised entirely of unrelated directors and perform the following functions:

- Set criteria for the selection of directors, recommend Board candidates for election as directors, and examine and recommend the level and nature of directors' fees
- Review and assess the performance of the Board of Directors, committees of the Board and individual directors
- Develop and enhance the approach to governance issues
- Review and assess a detailed list of the duties and responsibilities of the Chief Executive Officer
- Review officer and senior management appointments to ensure that there are enough experienced and skilled personnel to carry out its business activities in a prudent manner
- Conduct an annual review of the Human Resource Policies of the Corporation
- Ensure that there is an effective management succession plan and human resource plan in place

Members (Pacific & Western Credit Corp. and Pacific & Western Bank of Canada): David A. Bratton (Chair), Peter R. Lockyer, Alexander Mikalachki

CREDIT REVIEW COMMITTEE

The Credit Review Committee of Pacific & Western Bank of Canada is comprised entirely of unrelated directors and performs the following functions:

- Recommends policies governing management of credit risk, market risk and structural risk to the Board for approval, and reviews them on an ongoing basis to ensure that they are prudent and appropriate given possible changes in market conditions and corporate strategy
- Ensures that procedures and controls for managing credit risk are in place
- Concurs with credits exceeding the levels delegated to management, prior to commitment

Members (Pacific & Western Bank of Canada): Douglas W. Gough (Chair), Dale E. Creighton, Peter R. Lockyer

CONDUCT REVIEW COMMITTEE

The Conduct Review Committee of Pacific & Western Bank of Canada is comprised entirely of unrelated directors and performs the following functions:

- Reviews and, where appropriate, approves related party transactions
- Deals with matters of conflict of interest
- Deals with matters of harassment in the workplace
- Deals with matters regarding customer complaints, should any arise
- Monitors compliance with the corporate Code of Conduct

  Members (Pacific & Western Bank of Canada): Alexander Mikalachki (Chair), David A. Bratton, John L. Evans, Francis J.C. Newbould

CORPORATE GOVERNANCE ACHIEVEMENTS

Pacific & Western continues to review and improve its corporate governance practices. Certain of our latest corporate governance initiatives, achieved through cooperation among management and the Board of Directors are:

- Completed a comprehensive, company wide risk-based assessment
- Approved a comprehensive risk based internal audit plan
- Completed formal assessments of the Board, Committees of the Board, individual directors, and the President & C.E.O.
- Reviewed and revised the succession plan for senior management
- Reviewed and revised the Human Resources Plan
- Established formal Mandates for the Risk Management Department and the Compliance Officer
- Established a new policy respecting services to be performed by external auditors
- Implemented a new compliance management program

WE ARE EFFICIENT

Management's Responsibility for FINANCIAL REPORTING

The consolidated financial statements of Pacific & Western Credit Corp. were prepared by management, which is responsible for the integrity and fairness of the data presented, including amounts which must of necessity be based on estimates and judgments. The consolidated financial statements were prepared in accordance with Canadian generally accepted accounting principles. Financial information appearing throughout this Annual Report is consistent with the consolidated financial statements.

In discharging its responsibility for the integrity and fairness of the consolidated financial statements and for the accounting systems from which they are derived, management maintains the necessary system of internal controls designed to provide assurance that transactions are authorized, assets are safeguarded and proper records maintained.

The Corporation's principal subsidiary, Pacific & Western Bank of Canada, is a federally regulated bank. The Superintendent of Financial Institutions Canada examines and enquires into the business and affairs of the Bank, to the extent deemed necessary, to satisfy himself that the provisions of the Bank Act, having reference to the safety of the interests of depositors and creditors of the Bank, are being duly observed and that the Bank is in a sound financial condition.

The board of directors oversees management's responsibilities for financial reporting through an Audit Committee. The Audit Committee reviews the consolidated financial statements of the Corporation and recommends them to the board for approval. Other key responsibilities of the Audit Committee include reviewing the Corporation's existing internal control procedures and advising the directors on auditing matters and financial reporting issues.

KPMG LLP, independent auditors appointed by the shareholders of the Corporation upon the recommendation of the Audit Committee, have examined the consolidated financial statements and their report follows. The shareholders' auditors have full and unrestricted access to the Audit Committee to discuss their audit and related findings as to the integrity of the Corporation's financial reporting and the adequacy of the system of internal controls.

D. R. Taylor.
David R. Taylor
President & Chief Executive Officer

Barry Walter
Barry D. Walter, C.A.
Chief Financial Officer
November 28, 2002

Auditor's Report TO THE SHAREHOLDERS

We have audited the consolidated balance sheets of Pacific & Western Credit Corp. as at October 31, 2002 and December 31, 2001 and the consolidated statements of operations, changes in shareholders' equity and cash flows for the ten months ended October 31, 2002 and the year ended December 31, 2001. These financial statements are the responsibility of the Corporation's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Corporation as at October 31, 2002 and December 31, 2001 and the results of its operations and its cash flows for the ten months ended October 31, 2002 and the year ended December 31, 2001 in accordance with Canadian generally accepted accounting principles.

KPMG LLP

Chartered Accountants
Saskatoon, Canada
November 28, 2002

Consolidated BALANCE SHEETS

October 31, 2002 and December 31, 2001

(thousands of dollars)		2002		2001
Assets				
Cash resources	$	42,150	$	55,513
Securities (note 4)		247,475		242,239
Loans, net of allowance for credit losses (note 5)		402,932		413,825
Equity investments and loans (note 6)		8,033		–
Other assets (note 7)		17,716		21,799
	$	718,306	$	733,376
Liabilities and Shareholders' Equity				
Deposits (note 8)	$	636,351	$	673,925
Notes payable (note 9)		34,186		24,686
Other liabilities (note 10)		8,267		4,385
		678,804		702,996
Shareholders' equity:				
Share capital (note 11)		36,382		23,871
Retained earnings		3,120		6,509
		39,502		30,380
	$	718,306	$	733,376

See accompanying notes to consolidated financial statements.

On behalf of the Board:

D. R. Taylor.

Director

Peter R Goodyear

Director

Consolidated Statements
OF OPERATIONS

Ten months ended October 31, 2002 and year ended December 31, 2001

(thousands of dollars, except per share amounts)

	2002	2001
Interest income:		
Loans	$ 25,843	$ 29,068
Securities	9,967	17,097
Loan fee income	569	725
	36,379	46,890
Interest expense:		
Deposits and other	32,370	40,577
Notes payable	2,789	2,240
	35,159	42,817
Net interest income	1,220	4,073
Provision for credit losses (note 5)	890	289
Net interest income after provision for credit losses	330	3,784
Equity losses	(160)	(274)
Other income (charges)	(203)	392
Net interest and other	(33)	3,902
Non-interest expenses:		
General and administrative	2,452	2,840
Salaries and benefits	2,760	2,700
Premises and equipment	637	694
	5,849	6,234
Loss before income taxes	(5,882)	(2,332)
Income tax recovery (note 13)	2,493	1,456
Net loss	$ (3,389)	$ (876)
Basic loss per share (note 14)	$ (.27)	$ (.09)
Diluted loss per share (note 14)	$ (.27)	$ (.09)

See accompanying notes to consolidated financial statements.

Consolidated Statements
OF CHANGES IN SHAREHOLDERS' EQUITY

Ten months ended October 31, 2002 and year ended December 31, 2001

(thousands of dollars)

	2002	2001
Common shares (note 11):		
Balance, beginning of period	$ 23,871	$ 23,871
Shares issued on amalgamation (note 3)	10,122	–
Proceeds of shares issued	20	–
Shares repurchased for cancellation	(410)	–
Share issue costs, net of tax recovery	(809)	–
Balance, end of period	$ 32,794	$ 23,871
Class A preferred shares (note 11):		
Balance, beginning of period	$ –	$ –
Shares issued on amalgamation (note 3)	3,545	–
Balance, end of period	$ 3,545	$ –
Warrants (note 11):		
Balance, beginning of period	$ –	$ –
Cost of warrants granted in current period	43	–
Balance, end of period	$ 43	$ –
Retained earnings:		
Balance, beginning of period	$ 6,509	$ 7,493
Net loss	(3,389)	(876)
Dividends paid by associated corporation on preferred shares	–	(108)
Balance, end of period	$ 3,120	$ 6,509

See accompanying notes to consolidated financial statements.

Consolidated Statements
OF CASH FLOWS

Ten months ended October 31, 2002 and year ended December 31, 2001

(thousands of dollars)

	2002	2001
Cash provided by (used in):		
Operations:		
Net loss	$ (3,389)	$ (876)
Items not involving cash:		
Cost of warrants granted	43	–
Provision for credit losses	890	289
Equity losses	160	274
Provision for loss on securities	475	–
Future income tax recovery	(2,587)	(1,591)
Change in other assets and liabilities	3,835	69
	(573)	(1,835)
Investing:		
Securities	(650)	(73,431)
Loans	23,250	(32,270)
Equity investments and loans	3,670	–
	26,270	(105,701)
Financing:		
Deposits	(37,574)	44,923
Notes payable	–	2,000
Proceeds of common shares issued	20	–
Common shares repurchased for cancellation	(410)	–
Share issue costs	(1,096)	–
	(39,060)	46,923
Decrease in cash resources	(13,363)	(60,613)
Cash resources, beginning of period	55,513	116,126
Cash resources, end of period	$ 42,150	$ 55,513
Supplementary cash flow information:		
Interest paid during the period	$ 36,869	$ 41,900
Income taxes paid during the period	$ 64	$ 65

See accompanying notes to consolidated financial statements.

Ten months ended October 31, 2002 and year ended December 31, 2001

Pacific & Western Credit Corp. (the "Corporation"), through its subsidiaries, is involved in the business of providing financial services. Pacific & Western's eTrust of Canada Inc., its principal subsidiary, was licensed as a trust company throughout Canada with the exception of the provinces of New Brunswick, Newfoundland and Quebec. Effective August 1, 2002, letters patent were issued to Pacific & Western's eTrust of Canada Inc. continuing it as a federal trust company under the *Trust and Loan Companies Act (Canada)* under the name Pacific & Western Trust Corporation. Also effective August 1, 2002, letters patent were issued continuing Pacific & Western Trust Corporation as a bank under the *Bank Act (Canada)* under the name of Pacific & Western Bank of Canada ("PWB").

In conjunction with PWB obtaining the federal bank licence, the Corporation changed its fiscal year end from December 31 to October 31.

1. SIGNIFICANT ACCOUNTING POLICIES:

These consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles. The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the balance sheet date and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

The significant accounting principles used in the preparation of these consolidated financial statements are summarized below:

a) Investments:

The Corporation holds 100% of the common shares of Pacific & Western Bank of Canada, Arctic Financial Ltd., Pacific & Western Public Sector Financing Corp., PW Financial Inc. and PW Capital Inc. The consolidated financial statements include the accounts of these subsidiaries.

All significant intercompany accounts and transactions have been eliminated.

Investments in which the Corporation exercises significant influence are accounted for using the equity method. Under the equity method, the original cost of the shares is adjusted for the Corporation's share of post-acquisition earnings of the associated corporation less dividends received.

b) Cash resources:

Cash resources include government treasury bills and deposits with Canadian chartered banks with less than ninety days to maturity from the date of acquisition, net of cheques and other items in transit.

c) Securities:

The Corporation holds securities for investment purposes with the original intention of holding the securities to maturity or until market conditions render alternative investments more attractive. Securities are stated at amortized cost. The amortization of premiums or discounts is included in income over the period to maturity.

Any impairment in their underlying value other than a temporary impairment is recorded as a charge to income in the year in which it occurs.

Gains and losses on disposal of securities are included in income in the year realized.

d) Loans:

Loans are stated at cost less an allowance for credit losses.

Interest income on loans is recorded on the accrual basis until such time as the loan is classified as impaired. An impaired loan is a loan where there is no longer reasonable assurance as to the timely collection of the full amount of principal and interest. An uninsured loan is classified as impaired when scheduled payments are more than ninety days in arrears. An insured loan is classified as impaired when scheduled payments are more than one hundred and eighty days in arrears. When a loan is classified as impaired, accrual of interest on the loan ceases, and the carrying amount of the loan is reduced to its estimated realizable amount. Estimated realizable amounts are measured by discounting the expected future cash flows, if they can be reasonably estimated, using the effective interest rate inherent in the loan. When the amounts and timing of cash flows cannot be reasonably estimated, the carrying amount of the loan is reduced to its estimated net realizable value based on either i) the fair value of any security underlying the loan, net of expected costs of realization, or ii) observable market prices for the loan. As long as the loan remains classified as impaired, interest received will be credited to the carrying value of the loan. A loan will be returned to accrual status only when the timely collection of both principal and interest is reasonably assured and all arrears payments of principal and interest are brought current.

Loan fees in excess of estimated administrative costs are recognized in income over the appropriate lending or commitment period.

Real estate acquired as settlement of loans is stated at cost less an allowance for losses.

e) Allowance for credit losses:

The Corporation maintains an allowance for credit losses, which in management's opinion, is adequate to absorb all credit related losses in its portfolio of both on and off-balance sheet items. The allowance for credit losses consists of specific provisions, being provisions against specific credit exposures determined on an item-by-item basis; and a general provision for losses which have occurred but where such losses cannot be determined on an item-by-item basis.

f) Deferred financing charges:

Deferred financing charges related to notes payable are being amortized on a straight-line basis over the term of the related debt. The amortization of these charges is included with interest expense in the Consolidated Statements of Operations.

g) Capital assets:

Capital assets are carried at cost less accumulated amortization. Amortization is calculated using the straight-line method over the estimated useful lives of assets not exceeding ten years.

h) Income taxes:

The Corporation follows the asset and liability method of accounting for income taxes. Future tax assets and liabilities are measured using enacted or substantively enacted tax rates expected to apply to taxable income in the years when temporary differences are expected to be recovered or settled.

i) Stock-based compensation:

The Corporation has a stock option plan that is described in note 12. No compensation expense is recognized for this plan when qualifying stock options are granted to employees. Any consideration paid by employees on exercise of stock options is credited to common shares. Warrants granted to non-employees are described in note 11. The Corporation accounts for grants of warrants to non-employees in accordance with the fair value based method of accounting for stock-based compensation.

j) Financial instruments:

The amounts recorded in the balance sheet for cash resources and other liabilities approximate fair value due to the short-term maturity of these instruments. Fair values for interest bearing financial assets and liabilities are disclosed in note 17.

Interest rate swap agreements are entered into for asset liability management ("ALM") purposes. These contracts are designated as hedges and are accounted for on the accrual basis. Interest expense and gains/losses are recognized, as appropriate, over the hedged period.

k) Risk management:

Credit risk

The Corporation has established a comprehensive Credit Risk Management Program to manage its credit risk. The Program consists of approval procedures and limits on: loan amounts, geographic concentration, loans to any one entity, associated groups and each of its asset categories. Lending practices are monitored on an ongoing basis to ensure they comply with the Program.

Interest rate risk

The operations of the Corporation are subject to risk of interest rate fluctuations to the extent that cash flows from interest-earning assets and interest-bearing liabilities differ. The Corporation employs a number of methods, including interest rate sensitivity gap and duration analysis to measure the risks generated by interest rate sensitive assets and liabilities and to monitor compliance with limits set by corporate policy.

2. CHANGES IN ACCOUNTING POLICIES AND RECENTLY ISSUED STANDARDS NOT YET IMPLEMENTED:

a) Changes in accounting policies:

Stock-based compensation

Effective January 1, 2002, the Corporation adopted the new CICA Handbook Section 3870, which requires that a fair value based method of accounting be applied to direct awards of stock options to non-employees and for certain, but not all, awards granted to employees.

Prior to adopting the new standard, the Corporation used the intrinsic value based method of accounting for all stock-based compensation arrangements. In accordance with the new standard, the Corporation will continue its existing policy of recording no compensation cost on the grant of qualifying stock options to employees, and will provide additional pro forma information, as required. The Corporation will follow the fair value based method of accounting for warrants granted to non-employees. There is no impact on opening retained earnings as a result of the adoption of the new accounting standard.

b) Recently issued standards not yet implemented:

Hedging relationships

Accounting Guideline 13 ("AcG-13") establishes new criteria for hedge accounting and will apply to all hedging relationships in effect on or after July 1, 2003. To qualify for hedge accounting, the hedging relationship must be appropriately documented at the inception of the hedge and there must be reasonable assurance, both at the inception and throughout the term of the hedge, that the hedging relationship will be effective. Effectiveness requires a high correlation of changes in fair values or cash flows between the hedged item and the hedge.

The Corporation will adopt the new Guideline for the fiscal year beginning on November 1, 2003. For any hedging derivatives that do not qualify for hedge accounting under this Guideline, the Corporation expects to record the fair value of these derivatives on the Consolidated Balance Sheet with amortization of the amounts and changes in the fair value, subsequent to adoption, recorded in the Consolidated Statements of Operations. The effect of the new Guideline on the Corporation cannot be determined at this time.

3. AMALGAMATION:

On December 18, 2001, the shareholders of the Corporation and PacWest Ventures Ltd. ("PacWest") passed resolutions authorizing the amalgamation of the two companies. The amalgamation was effective January 1, 2002. Upon amalgamation:

- each issued and outstanding common share of PacWest was converted into one tenth of a common share of the amalgamated company,
- each issued and outstanding Class A preferred share of PacWest was converted into one Class A preferred share of the amalgamated company,
- each issued and outstanding common share of the Corporation was converted into one fifth of a common share of the amalgamated company, and
- all debts, liabilities and obligations of PacWest and the Corporation, including notes payable became debts, liabilities and obligations of the amalgamated company.

The amalgamation of the two companies was treated as a purchase by the Corporation of the remaining 55% of the issued and outstanding common shares of PacWest. The purchase price of $10,122,000 includes costs associated with the transaction of $809,000, net of taxes recoverable. The net assets acquired are as follows:

(thousands of dollars)

Securities	$	5,061
Loans		15,247
Equity investments and loans		11,863
Other assets		1,881
Notes payable		(11,500)
Liabilities		(1,085)
Class A preferred shares		(3,545)
		17,922
Less previous investment		(7,800)
	$	10,122

4. SECURITIES:

a) Portfolio analysis:

(thousands of dollars)

		2002		2001
Securities issued or guaranteed by:				
Canadian federal government	$	24,500	$	42,406
Canadian provinces		77,528		98,242
Canadian municipalities		15,358		20,368
Government insured mortgage-backed securities		1,377		12,634
Canadian corporate equity		50,306		54,066
Canadian corporate debt		75,991		12,198
		245,060		239,914
Accrued interest		2,415		2,325
	$	247,475	$	242,239

b) Maturities and yields:

(thousands of dollars)

Maturity dates	2002	Yield	2001	Yield
Floating	$ –	–	$ 16,295	3.77%
Within 3 months	73,801	4.86%	69,365	3.85%
3 months - 1 year	24,940	6.46%	44,083	3.63%
1 year - 2 years	70,335	6.49%	32,184	5.90%
2 years - 5 years	46,419	6.40%	39,951	5.57%
Over 5 years	29,565	5.72%	38,036	6.03%
	$ 245,060	5.89%	$ 239,914	4.71%

Average effective yields are based on book values and contractual interest or stated dividend rates adjusted for amortization of premiums and discounts.

c) Unrealized gains and losses on investment securities:

(thousands of dollars)

	Carrying Value	Gross Unrealized Gains	Gross Unrealized Losses	2002 Market Value	Carrying Value	Gross Unrealized Gains	Gross Unrealized Losses	2001 Market Value
Securities issued or guaranteed by:								
Canadian federal government	$ 24,500	$ 55	$ (206)	$ 24,349	$ 42,406	$ 171	$ (303)	$ 42,274
Canadian provinces	77,528	87	(528)	77,087	98,242	648	(57)	98,833
Canadian municipalities	15,358	109	(167)	15,300	20,368	72	(76)	20,364
Government insured mortgage-backed securities	1,377	–	(70)	1,307	12,634	–	(201)	12,433
Canadian corporate equity	50,306	142	(4,315)	46,133	54,066	181	(3,507)	50,740
Canadian corporate debt	75,991	1,023	(250)	76,764	12,198	425	(35)	12,588
Accrued interest	2,415	–	–	2,415	2,325	–	–	2,325
	$ 247,475	$ 1,416	$ (5,536)	$ 243,355	$ 242,239	$ 1,497	$ (4,179)	$ 239,557

A provision for loss on securities of $475,000 (2001 - $nil) has been recorded as a charge to other income in the Consolidated Statements of Operations.

5. LOANS:

a) Portfolio analysis:

(thousands of dollars)

	2002	2001
Residential mortgages:		
Insured	$ 35,816	$ 70,884
Uninsured	32,561	28,739
Business and government loans	207,894	194,250
Personal loans	121,833	115,321
	398,104	409,194
Real estate held on foreclosure	2,228	3,244
	400,332	412,438
Allowance for credit losses:		
General	(1,112)	(463)
Specific loans	(100)	–
Real estate	(400)	(1,123)
	(1,612)	(1,586)
	398,720	410,852
Accrued interest	4,212	2,973
	$ 402,932	$ 413,825

The general allowance for credit losses has been allocated as follows: residential mortgages - $122,000 (2001 - $46,000); business and government loans - $557,000 (2001 - $239,000); personal loans - $433,000 (2001 - $178,000).

b) Allowance for credit losses:

The allowance for credit losses results from the following:

(thousands of dollars)

	General	Specific Loans	Real Estate	2002 Total Allowance	2001 Total Allowance
Balance, beginning of period	$ 463	$ –	$ 1,123	$ 1,586	$ 1,609
Provision for credit losses	649	241	–	890	289
Write-offs	–	(141)	(723)	(864)	(312)
Balance, end of period	$ 1,112	$ 100	$ 400	$ 1,612	$ 1,586

c) Maturities and yields:

(thousands of dollars)

Maturity dates	2002	Yield	2001	Yield
Floating	$ 7,978	5.86%	$ 9,876	4.54%
Within 3 months	33,724	7.71%	39,585	7.04%
3 months - 1 year	40,955	8.04%	41,653	6.52%
1 year - 2 years	64,834	6.95%	32,887	7.00%
2 years - 5 years	173,738	7.02%	202,994	6.96%
Over 5 years	76,875	6.46%	82,199	6.71%
	$ 398,104	7.04%	$ 409,194	6.82%

Average effective yields are based on book values and contractual interest rates, adjusted for the amortization of any deferred income.

d) Impaired loans:

(thousands of dollars)

			2002			2001
	Gross Impaired	Specific Allowance	Net Impaired	Gross Impaired	Specific Allowance	Net Impaired
Residential mortgages	$ 242	$ –	$ 242	$ –	$ –	$ –
Business and government loans	7,770	100	7,670	1,408	–	1,408
	$ 8,012	$ 100	$ 7,912	$ 1,408	$ –	$ 1,408

6. EQUITY INVESTMENTS AND LOANS:

(thousands of dollars)

	2002	2001
Investments, on equity basis	$ 946	$ –
Shareholder's loans	7,087	–
	$ 8,033	$ –

Equity investments and loans are comprised of interests in real estate development projects acquired from PacWest Ventures Ltd. on amalgamation (note 3).

Shareholder's loans advanced by the Corporation have no fixed repayment terms and are secured by a first debenture registered against the properties.

The Corporation is the guarantor of bank indebtedness of certain of its equity investments to a maximum of $1,500,000.

7. OTHER ASSETS:

(thousands of dollars)

		2002		2001
Investment in PacWest Ventures Ltd. (note 3)	$	–	$	7,800
Prepaid expenses and other		3,963		3,637
Investment in development project		2,881		2,881
Future income taxes (note 13)		6,360		3,587
Capital assets		2,968		2,951
Deferred financing charges		1,544		943
	$	17,716	$	21,799

8. DEPOSITS:

(thousands of dollars)

Maturity dates	2002	Effective Rate	2001	Effective Rate
Floating	$ 6,612	2.15%	$ 8,228	2.40%
Within 3 months	153,003	3.07%	168,293	4.07%
3 months - 1 year	261,839	3.85%	264,802	4.37%
1 year - 2 years	75,361	5.14%	94,675	5.45%
2 years - 5 years	126,390	5.61%	122,203	5.88%
	623,205	4.15%	658,201	4.70%
Accrued interest	13,146		15,724	
	$ 636,351		$ 673,925	

Average effective rates are based on book values and contractual interest rates.

9. NOTES PAYABLE:

(thousands of dollars)

		2002		2001
9.0% Ten Year Term Series C Notes, convertible into common shares, unsecured	$	22,684	$	22,684
9.25% Ten Year Term Series A Notes, convertible into common shares, unsecured		11,500		–
9.5% Ten Year Term Series A Notes, secured by a pledge of subordinated notes of equal value issued by PWB to the Corporation		2		2
9.5% note payable to PacWest Ventures Ltd.		–		2,000
	$	34,186	$	24,686

The 9.0% Series C notes were issued on October 16, 1998, mature in 2008 and are convertible on the basis of one share for every $25.00 converted until October, 2003.

The 9.25% Series A Notes were acquired on amalgamation with PacWest Ventures Ltd. The promissory notes were issued on April 19, 2000, mature in 2010 and are convertible on the basis of one share for every $10.00 converted during the first three years after issuance and one share for every $15.00 converted during the next two years. Thereafter they are not convertible.

10. OTHER LIABILITIES:

(thousands of dollars)

		2002		2001
Accounts payable and other	$	5,377	$	4,385
Loans payable		2,890		–
	$	8,267	$	4,385

Loans payable bear interest at rates ranging from 10% to 12% per annum, are secured by mortgages with a book value of $6,114,000 and mature in 2003.

11. SHARE CAPITAL:

a) Authorized:

Common shares:

The Corporation is authorized to issue an unlimited number of common shares.

Class A preferred shares:

The Corporation is authorized to issue an unlimited number of Class A preferred shares. These shares are entitled to receive a cumulative dividend at the rate of 7.0% per annum. These shares are non-voting, non-participating and redeemable in certain circumstances at the option of the Corporation at the issue price and are convertible into common shares at prices ranging from $10.00 to $15.00 per common share. At October 31, 2002, cumulative and unpaid dividends totalled $207,000.

b) Issued and outstanding:

(thousands of dollars)

		2002		2001
	Shares	Amount	Shares	Amount
Common shares:				
Outstanding, beginning of period	10,437,748	$ 23,871	10,437,748	$ 23,871
Shares issued on amalgamation (note 3)	2,822,270	10,122	–	–
Shares issued on exercise of options	5,500	20	–	–
Shares repurchased for cancellation	(65,940)	(410)	–	–
Share issue costs, net of tax recovery		(809)		–
Outstanding, end of period	13,199,578	32,794	10,437,748	23,871
Class A preferred shares:				
Outstanding, beginning of period	–	–	–	–
Shares exchanged on amalgamation (note 3)	1,142,556	3,545	–	–
Outstanding, end of period	1,142,556	3,545	–	–
Warrants:				
Outstanding, beginning of period		–		–
Cost of warrants granted		43		–
Outstanding, end of period		43		–
Total share capital		$ 36,382		$ 23,871

Common shares outstanding in the prior year have been restated to reflect the conversion of each common share into one fifth of a common share of the amalgamated company.

c) Warrants:

At October 31, 2002, 1,000,000 warrants acquired on amalgamation were outstanding with an exercise price of $0.75 per warrant, which allows the holder to purchase 100,000 common shares. These warrants expire September 30, 2003.

During the period ending October 31, 2002: (i) 12,000 warrants were granted and remain outstanding to purchase 12,000 common shares at $4.50 per share and expire July 26, 2007; and, (ii) 5,000 warrants were granted and remain outstanding to purchase 5,000 common shares at $5.70 per share and expire August 6, 2007. The cost of these warrants of $43,000 has been charged to interest expense in the Consolidated Statements of Operations.

12. STOCK-BASED COMPENSATION:

The Corporation has a stock option plan for its employees. Options are granted at an exercise price set at the closing market price of the Corporation's common shares on the day preceding the date on which the option is granted and are exercisable within ten years of issue. Options granted prior to September, 2000 vested immediately and options granted after September, 2000 typically vest over a two year period.

At October 31, 2002, 1,551,100 common shares have been reserved for stock options as follows:

Expiry date	Options outstanding	Options exercisable	Price
November 9, 2006	40,000	40,000	$ 3.50
January 15, 2007	12,000	12,000	4.85
September 15, 2007	143,800	143,800	6.40
March 12, 2008	145,800	145,800	7.55
June 18, 2008	199,000	199,000	3.00
December 9, 2008	218,200	218,200	10.25
January 4, 2010	14,100	14,100	16.00
March 10, 2010	100	100	17.50
July 21, 2010	1,500	1,500	4.80
September 18, 2010	441,600	441,600	11.50
September 26, 2010	286,000	286,000	4.00
March 9, 2011	7,000	4,667	7.00
May 15, 2011	8,000	5,334	6.00
May 28, 2011	10,000	6,667	6.50
May 28, 2011	20,000	13,334	2.80
October 24, 2011	4,000	2,667	3.75

Stock option transactions during 2002 and 2001 are as follows:

	2002 Number of shares	2002 Weighted-average exercise price	2001 Number of shares	2001 Weighted-average exercise price
Outstanding, beginning of period	1,062,500	$ 9.50	1,011,600	$ 10.00
Acquired on amalgamation	508,000	3.60	–	–
Granted	12,000	4.85	84,000	4.45
Exercised	(5,500)	3.64	–	–
Cancelled	(25,900)	8.31	(33,100)	10.80
Outstanding, end of period	1,551,100	$ 7.57	1,062,500	$ 9.50

Stock options outstanding in the prior year have been restated to reflect the conversion of each stock option into one fifth of a stock option of the amalgamated company.

The fair value of the options granted during the ten months ended October 31, 2002, was determined using the Black-Scholes option pricing model with the following assumptions: risk-free rate 4.8%; dividend yield of 0%; a volatility factor of the expected market price of the Corporation's common shares of 51%; and a weighted average expected option life of 5 years. During the ten months ended October 31, 2002, the Corporation granted 12,000 options to employees, which fully vested at an exercise price of $4.85 per share. The fair value of these options was determined to be $2.50 per share. For purposes of pro forma disclosures, the estimated fair value of the options was charged to income in the period and the total charge has been adjusted for an expected forfeiture rate of 5%. For the ten months ended October 31, 2002, had the Corporation accounted for employee stock options using the fair value method, the pro forma net loss would have been ($3,418,000), basic loss per share would have been ($0.27) and diluted loss per share would have been ($0.27).

13. INCOME TAXES:

Income taxes, including both the current and future portions, vary from the amounts that would be computed by applying the statutory federal and provincial tax rates aggregating 39.5% (2001 – 42.0%) to the loss before income taxes. Income taxes have been computed as follows:

(thousands of dollars)

	2002	2001
Tax recovery at basic rates	$ 2,323	$ 979
Decrease (increase) in tax recovery resulting from:		
Non-taxable income from securities	722	1,613
Effect of change in statutory tax rates	(346)	(854)
Non-taxable loss from investments	(63)	(115)
Federal large corporations tax	(89)	(86)
Other permanent differences	(54)	(81)
Income tax recovery	$ 2,493	$ 1,456

Income tax recovery is comprised of:

(thousands of dollars)

	2002	2001
Current income tax provision	$ (94)	$ (135)
Future income tax recovery	2,587	1,591
	$ 2,493	$ 1,456

The components of future income tax balances are as follows:

(thousands of dollars)

	2002	2001
Future income tax assets:		
Allowance for credit losses	$ 579	$ 162
Loss carry-forwards	8,600	5,507
	9,179	5,669
Future income tax liabilities:		
Deposit commissions	532	553
Securities valuation	1,575	1,094
Other	712	435
	2,819	2,082
Net future income tax asset	$ 6,360	$ 3,587

Loss carry-forwards will expire as follows:

(thousands of dollars)

2006	$ 6,149
2007	2,826
2008	7,137
2009	8,500

14. LOSS PER SHARE:

Basic loss per share

(thousands except per share amounts)

		2002		2001
Net loss	$	(3,389)	$	(876)
Less cumulative and unpaid dividends on preferred shares		(207)		–
Less dividends paid by associated corporation		–		(108)
Net loss available to common shareholders	$	(3,596)	$	(984)
Average number of common shares outstanding		13,231		10,438
Basic loss per share	$	(0.27)	$	(0.09)

Diluted loss per share

(thousands except per share amounts)

		2002		2001
Net loss available to common shareholders	$	(3,596)	$	(984)
Average diluted number of common shares outstanding		13,231		10,438
Diluted loss per share	$	(0.27)	$	(0.09)

Average number of common shares outstanding in the prior year have been restated to reflect the conversion of each common share into one fifth of a common share of the amalgamated company.

15. DERIVATIVE INSTRUMENTS:

As at October 31, 2002, the Corporation had outstanding contracts for asset liability management ("ALM") purposes to swap between floating and fixed interest rates with notional amounts totalling $287,000,000 (2001 - $242,008,000).

These contracts have a current replacement cost of $nil, a credit equivalent amount of $1,512,000 and a risk weighted balance of $302,000. At October 31, 2002, these contracts were in an unfavourable position of $13,207,000 (2001 - $13,863,000) (note 17).

The current replacement cost represents the positive fair value for all contracts without taking into account any master netting or collateral arrangements that have been made. The current replacement cost does not reflect actual or expected losses. The credit equivalent amount is the current replacement cost plus an add-on for potential future exposure based on a formula prescribed in the Capital Adequacy Guideline of the Superintendent. The risk weighted balance is the credit equivalent amount multiplied by counterparty risk factors prescribed by this Guideline.

These contracts mature as follows:

(thousands of dollars)

Within 3 months	$	30,000
3 months to 1 year		15,000
1 year to 2 years		106,000
2 years to 5 years		99,000
Over 5 years		37,000
	$	287,000

16. INTEREST RATE RISK:

The Corporation is exposed to interest rate risk as a consequence of the mismatch, or gap, between assets, liabilities and off-balance sheet instruments scheduled to mature or reset on particular dates. The gaps which existed at October 31, 2002 and December 31, 2001 are as follows:

(thousands of dollars)

at earlier of maturity or reset date of interest rate sensitive instruments

	Floating rate	Within 3 months	3 months to 1 year	1 year to 2 years	2 years to 5 years	Over 5 years	Non-interest rate sensitive	Total
Assets								
Cash resources	$ 36,278	$ 5,872	$ –	$ –	$ –	$ –	$ –	$ 42,150
Effective yield	2.70%	2.23%	–	–	–	–	–	–
Securities	–	73,801	24,940	70,335	46,419	29,565	2,415	247,475
Effective yield	–	4.86%	6.46%	6.49%	6.40%	5.72%	–	–
Loans	7,978	33,724	40,955	64,834	173,738	76,875	4,828	402,932
Effective yield	5.86%	7.71%	8.04%	6.95%	7.02%	6.46%	–	–
Other	–	–	–	–	–	–	25,749	25,749
Total assets	$ 44,256	$ 113,397	$ 65,895	$ 135,169	$ 220,157	$ 106,440	$ 32,992	$ 718,306
Liabilities								
Deposits	$ 6,612	$ 153,003	$ 261,839	$ 75,361	$ 126,390	$ –	$ 13,146	$ 636,351
Effective rate	2.15%	3.07%	3.85%	5.14%	5.61%	–	–	–
Subordinated notes	–	–	–	–	–	34,186	–	34,186
Effective rate	–	–	–	–	–	9.17%	–	–
Other	–	–	–	–	–	–	8,267	8,267
Total liabilities	$ 6,612	$ 153,003	$ 261,839	$ 75,361	$ 126,390	$ 34,186	$ 21,413	$ 678,804
On balance sheet gap	$ 37,644	$ (39,606)	$(195,944)	$ 59,808	$ 93,767	$ 72,254	$ 11,579	$ 39,502
Off balance sheet financial instruments								
Derivatives used for ALM	–	63,500	158,827	(86,000)	(98,983)	(37,344)	–	–
Effective rate	–	6.09%	6.26%	6.33%	6.05%	6.31%	–	–
Total 2002 gap	$ 37,644	$ 23,894	$ (37,117)	$ (26,192)	$ (5,216)	$ 34,910	$ 11,579	$ 39,502
Total cumulative 2002 gap	$ 37,644	$ 61,538	$ 24,421	$ (1,771)	$ (6,987)	$ 27,923	$ 39,502	$ –
Total 2001 gap	$ 36,782	$ 91,661	$ (51,388)	$ (75,936)	$ (51,986)	$ 72,601	$ 8,646	$ 30,380
Total cumulative 2001 gap	$ 36,782	$ 128,443	$ 77,055	$ 1,119	$ (50,867)	$ 21,734	$ 30,380	$ –

Interest rate risk can be defined as the impact on net interest income, both current and future, resulting from a change in market interest rates. Interest rate swap agreements to exchange between floating and fixed interest rates are entered into for the purpose of limiting exposure to changes in interest rates. A positive interest rate gap exists when interest sensitive assets exceed interest sensitive liabilities for a specific maturity or repricing period. A positive gap will tend to lead to an increase in net interest income when market rates rise since assets are repricing earlier than liabilities. The opposite impact will occur when market interest rates fall.

17. FAIR VALUE OF FINANCIAL INSTRUMENTS:

The amounts set out in the table below represent the fair value of the Corporation's on and off- balance sheet financial instruments.

(thousands of dollars)

				2002				2001
	Book Value	Fair value of assets and liabilities	Fair value of ALM derivatives	Fair value over (under) book value	Book Value	Fair value of assets and liabilities	Fair value of ALM derivatives	Fair value over (under) book value
Assets								
Cash resources	$ 42,150	$ 42,150	$ –	$ –	$ 55,513	$ 55,513	$ –	$ –
Securities	247,475	243,355	(944)	(5,064)	242,239	239,557	–	(2,682)
Loans	402,932	421,554	(1,333)	17,289	413,825	437,973	(761)	23,387
Other	25,749	25,749	–	–	21,799	21,751	–	(48)
	$ 718,306	$ 732,808	$ (2,277)	$ 12,225	$ 733,376	$ 754,794	$ (761)	$ 20,657
Liabilities								
Deposits	$ 636,351	$ 642,227	$ 10,930	$ 16,806	$ 673,925	$ 684,478	$ 13,102	$ 23,655
Notes payable	34,186	33,502	–	(684)	24,686	19,749	–	(4,937)
Other	8,267	8,267	–	–	4,385	4,385	–	–
	$ 678,804	$ 683,996	$ 10,930	$ 16,122	$ 702,996	$ 708,612	$ 13,102	$ 18,718
Total				$ (3,897)				$ 1,939

The fair value amounts have been determined using the valuation method and assumptions described below:

- The fair values of securities are determined based on quoted market prices.
- The fair value of loans is based on net discounted cash flows using market interest rates for loans and appraised values for real estate.
- The fair value of deposits is determined based on discounted cash flows using market interest rates.
- The fair value of notes payable is determined by referring to current trading values.
- The fair value of ALM derivatives is derived from external sources.

18. ASSETS UNDER ADMINISTRATION:

At October 31, 2002, the Corporation has $52,048,000 (2001-$51,014,000) of assets under administration. These assets are maintained separately from the Corporation's assets and are not included in the Consolidated Balance Sheets.

19. COMMITMENTS AND CONTINGENCIES:

The amounts of credit related commitments represents the maximum amount of additional credit that the Corporation could be obliged to extend. These amounts are not necessarily indicative of credit risk as many of these arrangements are contracted for a limited period of usually less than one year and will expire or terminate without being drawn upon.

(thousands of dollars)

	2002	2001
Loan commitments	$ 75,518	$ 40,226
Letters of credit	4,427	5,722
	$ 79,945	$ 45,948

Directors & Officers
PACIFIC AND WESTERN CORP. & PACIFIC AND WESTERN BANK OF CANADA

DIRECTORS

Peter R. Lockyer, LL.B., Q.C.
Director, Chairman of the Board
Pacific & Western Credit Corp. and Pacific & Western Bank of Canada
Partner, Lockyer Spence, Barristers and Solicitors

Kingsley G. Allaster, B.A. (Hons.) C.A.,
Director - Pacific & Western Credit Corp.
and Pacific & Western Bank of Canada
Chief Operating Officer, Venture Capital London Inc.,
President, Kingsley G. Allaster & Associates

David A. Bratton, B.A.(Hons.), M.B.A., C.M.C.
Director - Pacific & Western Credit Corp.
and Pacific & Western Bank of Canada
President, Bratton Consulting Inc.

Dale E. Creighton, B.A., CLU., C.H.F.C., LLIF
Director - Pacific & Western Credit Corp.
and Pacific & Western Bank of Canada
Retired

John L. Evans, M.B.A., Ph.D.
Pacific & Western Credit Corp. and Pacific & Western Bank of Canada
Director - Principal, Financial Services Industry Monitor and ESP -
Evans Strategic Policy Inc.

Douglas W. Gough, B.B.A., M.B.A.
Director - Pacific & Western Credit Corp.
and Pacific & Western Bank of Canada
Partner, Mintz & Partners, Financial Services

Arnold E. Hillier, B.Comm., C.A.
Director - Pacific & Western Credit Corp.
and Pacific & Western Bank of Canada
Vice-Chairman, Chief Executive Officer and Chief Financial Officer,
Claude Resources Inc.

Alexander Mikalachki, B.Comm., M.B.A., Ph.D.
Director - Pacific & Western Credit Corp.
and Pacific & Western Bank of Canada
Professor Emeritus, Richard Ivey School of Business,
University of Western Ontario

William T. Mitchell, FCA
Director – Pacific & Western Bank of Canada
Retired

Francis J.C. Newbould, B.A., LL.B., Q.C.
Director - Pacific & Western Credit Corp.
and Pacific & Western Bank of Canada
Partner, Borden Ladner Gervais LLP, Barristers and Solicitors

C. Scott Ritchie, B.B.A. (Hons.), LL.B., Q.C.
Director - Pacific & Western Credit Corp.
Partner, Siskind, Cromarty, Ivey, Dowler LLP,
Barristers and Solicitors

David R. Taylor, B.Sc. (Hons.), M.B.A., F.I.C.B.
Director - Pacific & Western Credit Corp.
and Pacific & Western Bank of Canada
President and Chief Executive Officer
Pacific & Western Credit Corp. and Pacific & Western Bank of Canada

OFFICERS

David R. Taylor, B.Sc. (Hons.), M.B.A., F.I.C.B.
President and Chief Executive Officer
Pacific & Western Credit Corp. and Pacific & Western Bank of Canada

Richard H.L. Jankura, B.B.A.(Hons.), C.A.
Senior Vice-President, Risk Management
Pacific & Western Credit Corp. and Pacific & Western Bank of Canada

Jonathan F.P. Taylor, B.B.A.
Senior Vice-President, Operations
Pacific & Western Credit Corp. and Pacific & Western Bank of Canada

Barry D. Walter, B.Comm., C.A.
Chief Financial Officer
Pacific & Western Credit Corp. and Pacific & Western Bank of Canada

John W. Asma, B.A. (Hons.), M.B.A.
Vice-President and Treasurer
Pacific & Western Credit Corp. and Pacific & Western Bank of Canada

Ross P. Duggan
Vice-President
Pacific & Western Credit Corp. and Pacific & Western Bank of Canada

Barbara E.M. Hale, LL.B.
Vice-President, Compliance,
General Counsel and Secretary
Pacific & Western Credit Corp. and Pacific & Western Bank of Canada

Tel Matrundola, M.A., Ph.D.
Vice-President, Public & Government Relations
Pacific & Western Credit Corp. and Pacific & Western Bank of Canada

Bruce M. Schruder, B.B.A. (Hons.) F.I.C.B.
Vice-President
Pacific & Western Credit Corp. and Pacific & Western Bank of Canada

Corporate INFORMATION

SOLICITORS

MacPherson Leslie & Tyerman
1500 – 410 22nd Street East
Saskatoon, Saskatchewan
S7K 5T6

Lockyer Spence
Suite 600
465 Richmond Street
London, Ontario
N6A 5P4

AUDITORS

KPMG LLP
600 – 128 4th Avenue South
Saskatoon, Saskatchewan
S7K 1M8

BANK

Canadian Imperial Bank of Commerce
201 – 21st Street East
Main Branch
Saskatoon, Saskatchewan
S7K 0B8

TRANSFER AGENT

Computershare Trust Company of Canada
100 University Avenue
Toronto, Ontario
M5J 2Y1

STOCK EXCHANGE LISTING

The Toronto Stock Exchange
Trading Symbol: PWC

CORPORATE OFFICES

LONDON

Suite 2002
140 Fullarton Street
London, Ontario
N6A 5P2
Telephone: (519) 645-1919
Fax: (519) 645-2060

SASKATOON

950 – 410 22nd Street East
Saskatoon, Saskatchewan
S7K 5T6
Telephone: (306) 244-1868
Fax: (306) 244-4649

TORONTO

357 Bay Street
8th Floor
Toronto, Ontario
M5H 2T7
Telephone: 1-866-787-9936
Fax: (416) 203-8588

INVESTOR RELATIONS

Christopher G. Evans, CFA
Director, Investor Relations
chrise@pwbank.com
Telephone: 1-866-787-9936
www.pwcorp.com

ANNUAL MEETING

April 4, 2003 at 11:00 a.m.
Sheraton Cavalier Hotel, South Room
612 Spadina Avenue
Saskatoon, Saskatchewan

WE ARE EXPERIENCED

Barry Walter
Chief Financial Officer

WE ARE INNOVATIVE